

2009 DRAFTING REQUEST

Bill

Received: **01/19/2009**

Received By: **csundber**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Dombrowski**

This file may be shown to any legislator: **NO**

Drafter: **csundber**

May Contact:

Addl. Drafters:

Subject: **Econ. Development - bus. dev.**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to: **christopher.sundberg@legis.wisconsin.gov**

Pre Topic:

DOA:.....Dombrowski, BB0468 -

Topic:

Venture network fund

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	csundber 01/21/2009	wjackson 01/21/2009		_____			
/P1	csundber 01/24/2009	bkraft 01/24/2009	rschluet 01/21/2009	_____	mbarman 01/22/2009		State
/1	csundber 01/27/2009	wjackson 01/27/2009	phenry 01/24/2009	_____	chanaman 01/25/2009		State
/2	csundber	bkraft	phenry	_____	sbasford		State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	01/30/2009	01/30/2009	01/28/2009 _____		01/28/2009		
/3			mduchek _____		mbarman		
			01/30/2009 _____		01/30/2009		

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1/30

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01/28/2009 _____

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/?	csundber						
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/pl wly 1/21



FE Sent For:

<END>

2009-11 Budget Bill Statutory Language Drafting Request

- Topic: Venture Network Fund
- Tracking Code: BB0468
- SBO team: GGED
- SBO analyst: Cindy Dombrowski CD.
 - Phone: 266-5878
 - Email: cynthia.dombrowski@wisconsin.gov
- Agency acronym: DFI
- Agency number: 144
- Priority (Low, Medium, High): High

Intent:

Establish a Wisconsin Venture Fund in the Department of Commerce. Commerce will be responsible for evaluating grants and loan proposals from the fund and to make recommendations to the Secretaries of Commerce and Financial Institutions. The amount allocated to the fund annually is based on \$15 per securities license paid to DFI.

There will exist two programs.

1. Capital Connections program. This program will fund existing access to capital networks (Angel Network) and the Venture Network and to sponsor events which connect capital to companies.
2. Venture Seed Fund Match. The fund will match one-for-one funds raised and invested by research institutions, and non profit companies which invest into companies in their formation stages.

Sundberg, Christopher

From: Dombrowski, Cynthia A - DOA [cynthia.dombrowski@wisconsin.gov]
Sent: Tuesday, January 20, 2009 3:27 PM
To: Sundberg, Christopher
Subject: RE: Venture network fund

Here is some additional information. Hope this helps get things started. Please let me know what else you need to begin the draft.

Cindy

Create two new GPR appropriations within ss. 20.143 (1)

1. Within the Department of Commerce a Wisconsin Venture Fund would be established with two program components.

- a. Capital Connections program
 - i. GPR, annual appropriation
 - ii. Funded from monies received from Securities Licensing fees (Initial and Renewals from Broker Dealers, Agents, Investment Advisors, Investment Advisor Representatives, and Branch Offices) which are lapsed to the general fund.
- b. Venture Seed Fund Match Program
 - i. GPR, annual appropriation.
 - ii. Funded from monies received from Securities Licensing fees (Initial and Renewals from Broker Dealers, Agents, Investment Advisors, Investment Advisor Representatives, and Branch Offices)

2. Capital Connections Program – under Chapter 560

- a. Program Definition: A program that ensures access to capital for entrepreneurs by helping to build and fund a risk capital community in Wisconsin by providing funding for:
 - i. Existing access to capital networks
 - ii. Proposed networks that connect capital to companies and vice versa
 - iii. Sponsoring activities, events and strategies that connect capital to companies and facilitates connections between entrepreneurs and entities seeking capital
- b. Policies and Standards for Awarding Grants – the Department of Commerce shall promulgate rules to 1) establish policies and standards for evaluating grants, 2) making recommendations for approval to the Secretary of the Department of Financial Institutions and 3) a process for the awarding and monitoring of grants. The rules shall include at a minimum the following:
 1. Provisions for the development of a annual plan for awarding grants under this subchapter
 2. Application, grant review, and award processes
 3. Standards for accountability and reporting of grant usage

3. Venture Seed Fund Match Program – under Chapter 560

- a. Program Definition: A program to match, via grant on a basis established by the Department by rule, funds raised and invested by research institutions and non-profits which invest into companies in their formation stages. The match is designed to increase the amount of seed investments made into new companies, leverage private investment and facilitate job creation.
- b. The Department of Commerce shall promulgate rules to establish an advisory council to advise on:
 - i. A proposal review process, that includes input both Departments and other qualified individuals/entities
 - ii. Maximum eligibilities
 - iii. Terms of agreement for matching funds
 - iv. Monitoring the progress and job creation of entities receiving matching dollars
 - v. Approvals by the Secretary of the Department of Financial Institutions ?
 - vi. Establishing forfeitures of matching funds for violation of agreements
 - vii. Providing an annual report to the legislature

- b. The Department of Commerce shall also promulgate rules to establish policies and standards for awarding and managing matching funds under the subchapter. The rules shall include at a minimum the following:
1. Application processes including documentation of qualifications to receive matching funds
 2. Requirements regarding the actual use of matching funds
 3. Provisions for the development of an allocation process to utilize available funds in the manner that most directly provides job creation within Wisconsin
 4. Proposal review processes
 5. Award processes and award documents (agreements)
 6. Monitoring, reporting and audit requirements
 7. Process for forfeitures and recovery of funds where violations of matching agreements exist

Cynthia Dombrowski
Executive Policy and Budget Analyst
Department of Administration
Tel: (608)266-5878
Fax: (608)267-0372
cynthia.dombrowski@wisconsin.gov

From: Sundberg, Christopher [mailto:Christopher.Sundberg@legis.wisconsin.gov]
Sent: Monday, January 19, 2009 4:09 PM
To: Dombrowski, Cynthia A - DOA
Subject: Venture network fund

Can you give some more specifics on this request? Is it based on something from a previous session?

Christopher Sundberg
Legislative Attorney
Legislative Reference Bureau
(608) 266-9739
christopher.sundberg@legis.state.wi.us

Sundberg, Christopher

From: Dombrowski, Cynthia A - DOA [cynthia.dombrowski@wisconsin.gov]
Sent: Wednesday, January 21, 2009 11:05 AM
To: Sundberg, Christopher
Subject: RE: Venture network fund

Hi Chris -

The fees collected should lapse to the general fund. The venture draft should not directly increase fees as we are already doing that elsewhere as you noted. At this point, the decision is to go with the GPR appropriation but I'll let you know if that changes. We do not want DFI to calculate the amount that would be awarded but will set an amount in the schedule.

Does that help?
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Subject: RE: Venture network fund

So the Venture Fund is an annual GPR approp. funded in an amount equal to \$15 for each initial and renewal license for securities agents and investment adviser representatives (fees increased from \$30 to \$60 in LRB-1649). Does the funding also include \$15 for each broker-dealer and investment adviser license (fees also increased from \$30 to \$60 in LRB-1649)?

Are you sure you want to do this with GPR? If you wanted to ensure that the increased license revenue is used for the Venture fund, I think the way to do it is by creating a PR-S C. That way, the Venture fund would get all moneys received (or a portion thereof) from increased license fees, and the department would be able to spend from the Venture fund based on anticipated PR.

If you want to do it with GPR, you could have DFI calculate, before July 1, the amount of increased license fees collected (or a portion thereof), and lapse it to the general fund. That would work to give you a number for the schedule amount, but only after a year of increased revenue collections. If you want Commerce to be able to award grants immediately, you'll need to come up with a number without the benefit of such data.

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1m 1/22/09
State of Wisconsin
2009 - 2010 LEGISLATURE

PI
LRB-1626/2

CTS:.....

RumR

Wlj

DOA:.....Dombrowski, BB0468 - Venture network fund

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

Do Not Gen

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 SECTION 1. 20.143 (1) (bk) of the statutes is created to read:

3 20.143 (1) (bk) *Wisconsin venture fund*. The amounts in the schedule for grants
4 under s. 560.305.

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

5 SECTION 2. 560.305 of the statutes is created to read:

6 560.305 Wisconsin venture fund. y No ff

7 (1) DEFINITION. In this section, "eligible institution" means a research
8 institution or nonprofit organization that invests in new businesses.

****NOTE: Should the draft contain more specifics regarding eligibility, or will eligibility criteria be supplied primarily by agency rules?

1 (2) CAPITAL CONNECTIONS GRANTS. From the appropriation under s. 20.143 (1)
2 (bk), the department may award a grant to an eligible ^{institution} ~~applicant~~ to fund a project that
3 does any of the following:

4 (a) Expands access for Wisconsin business ventures and entrepreneurs to
5 existing capital networks.

6 (b) Creates a new network to connect Wisconsin business ventures and
7 entrepreneurs with available capital.

8 (c) Creates an activity, event, or strategy to connect Wisconsin business
9 ventures and entrepreneurs with available capital.

10 (3) VENTURE SEED MONEY GRANTS. (a) From the appropriation under s. 20.143
11 (1) (bk), the department may award a grant to an eligible institution to match funds
12 raised by the institution for investment in a new business, if the department
13 determines the award of a grant will increase the amount of investment in new
14 businesses or will leverage private investment and facilitate the creation of jobs in
15 this state.

16 (b) The proceeds of a grant awarded under this subsection shall be used for
17 investment as proposed by the institution in the institution's application.

18 (4) RULE-MAKING. The department shall promulgate rules that create all of the
19 following for grants ^{awarded} under this section:

20 (a) Procedures for the development of an annual plan for awarding grants.

21 (b) Eligibility standards.

22 (c) Application procedures.

1 (d) Standards for the evaluation by the department, with the advice of the
2 department of financial institutions, of grant applications.

3 (e) Required agreements for grant recipients concerning the use of grant
4 proceeds.

5 (f) Disbursement procedures.

6 (g) Requirements for progress and usage reporting.

***NOTE: Does 2007 Wisconsin Act 125 make some of these rule-making requirements unnecessary?

7 (4) The department shall establish by rule a Wisconsin venture fund advisory
8 council, which shall make recommendations to the department regarding all of the
9 following:

***NOTE: Advisory councils are typically composed of members appointed by the governor. Should this draft create the council in s. 15.157? If so, how many members should it have? Should the draft prescribe qualifications for any of the members of the council? *

10 (a) A process by which the department, the department of financial
11 institutions, and other qualified persons may review proposals.

***NOTE: It's not clear from the drafting instructions exactly what sort of proposals the council is supposed to review. And because councils typically function in advisory capacities only, it seems unnecessary that the council be required to receive input from Commerce or DFI.

12 (b) The maximum amount of a grant awarded under sub. (2) or (3). ✓

13 (c) Requirements that applicants for grants under subs. (2) and (3) secure
14 funding from sources other than the state to match a portion of the amount of a grant
15 awarded under sub. (2) or (3). ✓

16 (d) Monitoring of projects funded by grants under sub. (2) or (3), including
17 monitoring of job creation.

18 (e) Approvals by the secretary of financial institutions.

***NOTE: It's not clear from the drafting instructions what this language means.

- ① (f) ~~Requiring~~ forfeitures of the proceeds of grants under sub. (2) or (3) if a grant
② recipient violates an agreement with the department.

****NOTE: Is this item obviated by 2007 Act 125? See s. 560.01 (2). ✓

- 3 (g) Providing an annual report to the legislature.

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4 (END)

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From: Dombrowski, Cynthia A - DOA [cynthia.dombrowski@wisconsin.gov]
Sent: Saturday, January 24, 2009 10:03 AM
To: Sundberg, Christopher
Subject: RE: Venture network fund 1626

Hi Chris -

Few edits for this. I'm not sure yet how to resolve the "invest" issue, or if it needs to be changed at all (I'm not sure it does).

We want Commerce establish rules to administer the program but not necessarily spell out in the statute what they can establish rules for. On page 3, line 7 the draft starts the list on what Commerce can establish rules for. Is there some broad rule authority we can give them without the long list of what they can write rules on? (does that make sense?)

Also on page 2, you ask about the specifics regarding eligibility. This will also be determined by rule or administratively by Commerce.

Let me know if you have questions ...

Thanks!
Cindy

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Sent: Wednesday, January 21, 2009 11:06 AM
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Yep- thanks.

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State of Wisconsin
2009 - 2010 LEGISLATURE

1
LRB-1626/P1 RMNR

CTS:wlj:rs
Lijk

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(b) The proceeds of a grant awarded under this subsection shall be used for investment as proposed by the institution in the institution's application.

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(a) Procedures for the development of an annual plan for awarding grants.

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(c) Application procedures.

(d) Standards for the evaluation by the department, with the advice of the department of financial institutions, of grant applications.

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2009-2010 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1626/lins
CTS:.....

1

Insert A:

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

the Department of Commerce

This bill authorizes ~~Commerce~~ to award a grant to a research institution or nonprofit organization that provides funding to new businesses for (1) expanding access to capital networks, (2) creating a network to connect businesses and entrepreneurs with capital, or (3) creating an activity, event, or strategy to connect businesses and entrepreneurs with capital. The bill also authorizes grants to provide matching funds for funding a new business, if Commerce determines a grant will increase funding for new businesses or will leverage private investment and job creation. Grants are funded by an annual GPR appropriation.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

2

Insert 2-18:

3

NO for the administration of this section.

general purpose revenue

Sundberg, Christopher

From: Dombrowski, Cynthia A - DOA [cynthia.dombrowski@wisconsin.gov]
Sent: Monday, January 26, 2009 7:53 PM
To: Sundberg, Christopher
Subject: Venture Fund Draft

Hi Chris -

I have some (hopefully) quick changes to the draft.

Page 2, definition of wisconsin venture fund. "Definition. In this section, "eligible institution" means a research institution or nonprofit organization involved in economic development." We want it to be clear that both the research institution and the nonprofit are involved in economic development.

Page 2, under (2)(b). "Creates or runs a network ... "

Page 2 under (3). Rename to: Venture Seed Fund Grants.

Page 2 line 18 after the word business insert: or determining proof of concept and feasibility of a new business idea

Page 3: Delete (4)(e).

Hopefully this makes sense ... if you need clarification or want to walk through the changes, give me a call. I'm here until ~10pm tonight and will be in by 8am Tuesday.

Thank you SO much for your help and patience!!
Cindy

01/27/2009



10-1/27/09
State of Wisconsin
2009 - 2010 LEGISLATURE

2
LRB-1626/1
CTS:wlj&bjk:ph
RENN/R

stays

DOA:.....Dombrowski, BB0468 - Venture network fund

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1 **AN ACT** ...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

2
This bill authorizes the Department of Commerce (Commerce) to award a grant to a research institution or nonprofit organization ~~that provides funding to new businesses~~ for: 1) expanding access to capital networks; 2) creating a network to connect businesses and entrepreneurs with capital; or 3) creating an activity, event, or strategy to connect businesses and entrepreneurs with capital. The bill ~~also~~ authorizes grants to provide matching funds for funding a new business, if Commerce determines a grant will increase funding for new businesses or will leverage private investment and job creation. Grants are funded by an annual general purpose revenue appropriation.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 **SECTION 1.** 20.143 (1) (bk) of the statutes is created to read:

NSF The bill also directs Commerce to create an advisory council for the grant program

or determining the feasibility of a new business idea

involved in economic development

or running

20.143 (1) (bk) *Wisconsin venture fund*. The amounts in the schedule for grants under s. 560.305.

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 2. 560.305 of the statutes is created to read:

560.305 Wisconsin venture fund. (1) DEFINITION. In this section, "eligible institution" means a research institution or nonprofit organization that provides funding to new businesses.

involved in economic development

(2) CAPITAL CONNECTIONS GRANTS. From the appropriation under s. 20.143 (1) (bk), the department may award a grant to an eligible institution to fund a project that does any of the following:

(a) Expands access for Wisconsin business ventures and entrepreneurs to existing capital networks.

(b) Creates a network to connect Wisconsin business ventures and entrepreneurs with available capital.

(c) Creates an activity, event, or strategy to connect Wisconsin business ventures and entrepreneurs with available capital.

(3) VENTURE SEED MONEY GRANTS. (a) From the appropriation under s. 20.143 (1) (bk), the department may award a grant to an eligible institution to match funds raised by the institution for funding a new business, if the department determines the award of a grant will increase the amount of funding for new businesses or will leverage private investment and facilitate the creation of jobs in this state.

(b) The proceeds of a grant awarded under this subsection shall be used to provide funding as proposed by the institution in the institution's application.

or determining proof of concept and feasibility of a new business idea

(4) RULE MAKING. The department shall promulgate rules for the administration of this section.

(5) The department shall establish by rule a Wisconsin venture fund advisory council, which shall make recommendations to the department regarding all of the following:

(a) A process by which the department, the department of financial institutions, and other qualified persons may review proposals.

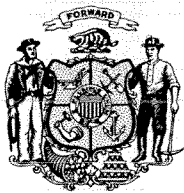
(b) The maximum amount of a grant awarded under sub. (2) or (3).

(c) Requirements that applicants for grants under subs. (2) and (3) secure funding from sources other than the state to match a portion of the amount of a grant awarded under sub. (2) or (3).

(d) Monitoring of projects funded by grants under sub. (2) or (3), including monitoring of job creation.

(e) Approvals by the secretary of financial institutions.

(END)



1w: 1/30/09
State of Wisconsin
2009 - 2010 LEGISLATURE

3
LRB-1626/2
CTS:wlj&bjk:ph

AMNR

✓
stay

DOA:.....Dombrowski, BB0468 - Venture network fund

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

(d-note)

SAV
X-ref ✓

do not gen.

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

This bill authorizes the Department of Commerce (Commerce) to award a grant to a research institution or nonprofit organization involved in economic development for: 1) expanding access to capital networks; 2) creating or running a network to connect businesses and entrepreneurs with capital; or 3) creating an activity, event, or strategy to connect businesses and entrepreneurs with capital. The bill authorizes grants to provide matching funds for funding a new business or determining the feasibility of a new business idea, if Commerce determines a grant will increase funding for new businesses or will leverage private investment and job creation. Grants are funded by an annual general purpose revenue appropriation. The bill also directs Commerce to create an advisory council for the grant program.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 **SECTION 1.** 20.143 (1) (bk) of the statutes is created to read:

20.143 (1) (bk) *Wisconsin venture fund*. The amounts in the schedule for grants
under s. 560.305. **277**

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 2. 560.305 of the statutes is created to read:

560.305 Wisconsin venture fund. (1) DEFINITION. In this section, "eligible institution" means a research institution or nonprofit organization involved in economic development. **277** **B**

(2) CAPITAL CONNECTIONS GRANTS. From the appropriation under s. 20.143 (1) (bk), the department may award a grant to an eligible institution to fund a project that does any of the following:

(a) Expands access for Wisconsin business ventures and entrepreneurs to existing capital networks.

(b) Creates or runs a network to connect Wisconsin business ventures and entrepreneurs with available capital.

(c) Creates an activity, event, or strategy to connect Wisconsin business ventures and entrepreneurs with available capital.

(3) VENTURE SEED GRANTS. (a) From the appropriation under s. 20.143 (1) (bk), the department may award a grant to an eligible institution to match funds raised by the institution for funding a new business or determining proof of concept and feasibility of a new business idea, if the department determines the award of a grant will increase the amount of funding for new businesses or will leverage private investment and facilitate the creation of jobs in this state.

(b) The proceeds of a grant awarded under this subsection shall be used to provide funding as proposed by the institution in the institution's application.

(4) RULE MAKING. The department shall promulgate rules for the administration of this section.

(5) The department shall establish by rule a Wisconsin venture fund advisory council, which shall make recommendations to the department regarding all of the following:

(a) A process by which the department, the department of financial institutions, and other qualified persons may review proposals.

(b) The maximum amount of a grant awarded under sub. (2) or (3).

(c) Requirements that applicants for grants under subs. (2) and (3) secure funding from sources other than the state to match a portion of the amount of a grant awarded under sub. (2) or (3).

(d) Monitoring of projects funded by grants under sub. (2) or (3), including monitoring of job creation.

(END)

D-note

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1626/3dn

CTS:.....

Lbjk

Date

This draft reconciles LRB-1626/2 and LRB-1578/P3. Both drafts should continue to appear in the compiled bill.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1626/3dn
CTS:bjk:md

January 30, 2009

This draft reconciles LRB-1626/2 and LRB-1578/P3. Both drafts should continue to appear in the compiled bill.

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State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1626/3
CTS:wlj&bjk:md

DOA:.....Dombrowski, BB0468 - Venture network fund

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

This bill authorizes the Department of Commerce (Commerce) to award a grant to a research institution or nonprofit organization involved in economic development for: 1) expanding access to capital networks; 2) creating or running a network to connect businesses and entrepreneurs with capital; or 3) creating an activity, event, or strategy to connect businesses and entrepreneurs with capital. The bill authorizes grants to provide matching funds for funding a new business or determining the feasibility of a new business idea, if Commerce determines a grant will increase funding for new businesses or will leverage private investment and job creation. Grants are funded by an annual general purpose revenue appropriation. The bill also directs Commerce to create an advisory council for the grant program.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 SECTION 1. 20.143 (1) (bk) of the statutes is created to read:

1 20.143 (1) (bk) *Wisconsin venture fund*. The amounts in the schedule for grants
2 under s. 560.277.

 ***NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.

3 **SECTION 2.** 560.277 of the statutes is created to read:

4 **560.277 Wisconsin venture fund. (1) DEFINITION.** In this section, "eligible
5 institution" means a research institution or nonprofit organization involved in
6 economic development.

7 **(2) CAPITAL CONNECTIONS GRANTS.** From the appropriation under s. 20.143 (1)
8 (bk), the department may award a grant to an eligible institution to fund a project
9 that does any of the following:

10 (a) Expands access for Wisconsin business ventures and entrepreneurs to
11 existing capital networks.

12 (b) Creates or runs a network to connect Wisconsin business ventures and
13 entrepreneurs with available capital.

14 (c) Creates an activity, event, or strategy to connect Wisconsin business
15 ventures and entrepreneurs with available capital.

16 **(3) VENTURE SEED GRANTS.** (a) From the appropriation under s. 20.143 (1) (bk),
17 the department may award a grant to an eligible institution to match funds raised
18 by the institution for funding a new business or determining proof of concept and
19 feasibility of a new business idea, if the department determines the award of a grant
20 will increase the amount of funding for new businesses or will leverage private
21 investment and facilitate the creation of jobs in this state.

22 (b) The proceeds of a grant awarded under this subsection shall be used to
23 provide funding as proposed by the institution in the institution's application.

(4) RULE MAKING. The department shall promulgate rules for the administration of this section.

(5) The department shall establish by rule a Wisconsin venture fund advisory council, which shall make recommendations to the department regarding all of the following:

(a) A process by which the department, the department of financial institutions, and other qualified persons may review proposals.

(b) The maximum amount of a grant awarded under sub. (2) or (3).

(c) Requirements that applicants for grants under subs. (2) and (3) secure funding from sources other than the state to match a portion of the amount of a grant awarded under sub. (2) or (3).

(d) Monitoring of projects funded by grants under sub. (2) or (3), including monitoring of job creation.

(END)